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Opening Statement of Rep. Henry A. Waxman Chairman, Committee on Energy and Commerce An Examination of Competition in the Wireless Industry Subcommittee on Communications, Technology, and the Internet May 7, 2009

It is clear that wireless services play an increasingly important role in the lives of most Americans. Today there are almost as many wireless subscribers in the United States as there are people. And according to a recent study, almost 20% of households rely entirely on wireless phones — they've cut the cord completely.

This hearing is not meant to be a critique of the wireless industry. Consumers have choices among different providers of wireless services, and that is a good thing. In fact, for the most part the wireless industry has done an excellent job providing consumers with innovative products and lots of service options.

The purpose of this hearing is to make sure consumers are protected as the industry evolves.

As robust as the industry has been in the past, it is clear that the market is becoming more concentrated. Two providers account for about 60% of the market, and the four largest account for about 90% of the market. This Committee must take care to ensure that this consolidation does not harm consumers.

Certainly a positive development is the trend towards more open wireless platforms. I was supportive of the FCC's efforts in the 700 MegaHertz (MHz) auction to promote openness, and I will continue to monitor this trend with keen interest. Openness drives technological innovation, promotes consumer choice, and can stimulate higher broadband speeds.

I look forward to learning more about the issues before us today. We are all familiar with the success of the iPhone, and I hope to learn more about how handset exclusivity arrangements impact consumers and developers alike.

The continued deployment of next generation wireless broadband networks is a national priority. To that end, I believe that we must make sure the tower siting process is fast and efficient, but sensitive to environmental impacts.

Equally important to wireless broadband deployment is the Special Access market. Two years ago, I, along with Congressman Tom Davis, wrote a letter to then-FCC Chairman Martin commending him for committing to revisit the Commission's rules on Special Access pricing. I said then, and I say again today, that pro-competitive policies in the Special Access market are essential to maximize choice, affordability, and technological innovation in the broadband market. Unfortunately, the Commission took no action. I hope that the new FCC takes a hard look at this issue and takes steps to promote broadband deployment.

Roaming is another vital issue. It is important to balance build-out incentives with practical and competitive realities. At a minimum, I believe that any carrier that accepts federal funds should not be permitted to close its network to others, and should be required to provide roaming on just and reasonable terms.

Finally, Chairman Boucher has indicated that he would like to pursue legislation that establishes one set of national consumer protection rules for wireless providers. It is an idea that has merit, and I hope to work with him on it.